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PATENT

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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE
BOARD OF APPEALS AND PATENT INTERFERENCES**

In re patent application of:) Date: January 30, 2004
Thomas J. Foth et al.) Attorney Docket No.: E-977
Serial No.: 09/474,326) Customer No.: 00919
Filed: December 29, 1999) Group Art Unit: 3621
Confirmation No.: 2120) Examiner: Firmin Backer
Title: METHOD FOR FACILITATING A TRANSACTION BETWEEN A
MERCHANT AND A BUYER

BRIEF ON APPEAL

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Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

This Appeal Brief, under 37 C.F.R. Section 1.192, is being filed in triplicate together with a Petition for a One-Month Extension of Time. The Appeal Fee in the amount of \$330.00 and the One-Month Extension of Time Fee in the amount of \$110.00 in accordance with 37 C.F.R. Sections 1.17(c) and 1.17(a)(1) should be charged to deposit account number 16-1885, per Transmittal of Appeal Brief enclosed herewith. If the fees for this appeal are deemed to be insufficient, authorization is hereby given to charge any deficiency (or credit any balance) to deposit account number 16-1885.

02/04/2004 AWONDAF1 00000031 161885 09474326

01 FC:1402 330.00 DA

02/04/2004 AWONDAF1 00000031 161885 09474326

02 FC:1251 110.00 DA

REAL PARTY IN INTEREST

The real party in interest is Pitney Bowes Inc. which acquired all rights to the above-identified application by way of an assignment which was recorded in the Assignment Branch of the United States Patent and Trademark Office on December 29, 1999 at Reel 010484 and Frame 0726.

RELATED APPEALS AND INTERFERENCES

There are no related Appeals or Interferences which will directly affect or be directly affected by or have a bearing on the Board's decision in the instant appeal.

STATUS OF CLAIMS

This Application is on Appeal, pursuant to 35 U.S.C. Section 134, from the third rejection of claims 1-8 dated July 01, 2003. The instant application was originally filed with claims 1-8. In the Amendment filed on July 15, 2002, claims 1, 2, 4 and 7 were amended. Accordingly, claims 1-8 are currently pending.

STATUS OF AMENDMENTS

No Amendments are currently pending. Accordingly pending claims 1-8 are being appealed and are set forth in Appendix A.

SUMMARY OF THE INVENTION

Referring to Figures 1 and 2 and page 8 line 26 to page 10 line 21, the invention of claim 1 is generally directed to a method for facilitating a transaction between a merchant **106** and a buyer **102**. The facilitation occurs through the use of a digital content file **180** that includes a header **202** with information (price, product ID, merchant ID, etc.) related to the purchasing of a digital content product (article, music, picture, etc.) and a digital content product in encoded form **206**. The digital content file **180** is downloaded into a computer **122** in a manner in which the header **202** is downloaded and at least some of the purchasing information is displayed at the computer **122** while the encoded digital content product **206** is concurrently being downloaded into the computer **122**. This

concurrent operation improves the efficiency of the download since a buyer can be viewing the purchasing information to determine if a purchase will be made while the encoded digital content product **206** is being downloaded. Therefore, if a very large encoded digital product needs to be downloaded, this occurs in the background as the viewing and purchasing decision is being made. Accordingly, if a purchase is then requested, the encoded digital content file **206** is either completely downloaded and ready for decoding or at least a significant portion of it has been downloaded

The invention of claim 4 is directed to a method that would allow, for example, a third party **118**, via a computer **132**, to access a web site **181** of a merchant **106** to encrypt digital content files at the merchant web site **181**. As set forth in dependent claims, the computer **132** is provided with the identification of the merchant's files that require encryption together with the web site location of the files and information as to how to access those files. The computer **132** connects to the web site **181**, such as through the Internet, and accesses, and encrypts the designated files and stores the encrypted files at the web site **181**. This permits remote encrypting of files at a merchant web site. (Figure 2 and page 20 line 4 to page 21 line 12).

As for claim 7, it is directed to a method whereby encrypted and unencrypted digital content product files are stored at a first computer, such as a merchant computer **126**. Upon request for the encrypted files they are sent to a second computer **122**. However, in the case of the unencrypted digital content product files they are dynamically encrypted prior to being sent to the second computer **122**. This method of distributing digital content using static encrypting and dynamic encrypting is discussed in detail on page 16 lines 3-25 of the specification with reference to Figures 1 and 2. The specification describes the benefits of this hybrid encrypting of files. That is, static encoding is efficient for content that is not subject to change (such as a particular piece of music) because time is saved if real time encryption is not required. However, constantly changing information, such as stock data, would require large amounts of continuous maintenance to store in encrypted form. Thus, for constantly changing data,

dynamic encryption is best suited since the downloaded product is encrypted real time for each product.

ISSUES

At issue in this Appeal is the propriety of the following rejections:

1. Claims 1-3 and 8 stand rejected under 35 U.S.C. 112, first paragraph.
2. Claims 1 and 4-6 stand rejected under 35 U.S.C. 102(e) as being anticipated by Downs (U.S. Patent No. 6,226,618).
3. Claims 2, 3, 8 and 7 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Downs.

GROUPING OF THE CLAIMS

With respect to Issue 1 above, Claims 1-3 and 8 stand or fall together.

With respect to Issue 2 above, claims 1, 4 and 5 stand or fall by themselves and claim 6 stands or falls with claim 5.

With respect to Issue 3 above claims 2 and 8 stand or fall together, while claims 3 and 7 stand or fall by themselves.

ARGUMENTS

Issue 1

The Examiner states on page 2 of the Office Action that:

Claims 1-3 and 8 are rejected under 35 U.S.C. 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

The Examiner's position is that the portion of claim 1 "...for reading the downloaded header and displaying...information... while concurrently downloading the encoded digital content product into the computer" is somehow inconsistent with page 9, lines 16-18 and page 17, lines 9-14 of the specification thereby supporting the rejection under 35 U.S.C. 112, first paragraph. Even assuming arguendo that the Examiner's reading of the specification is accurate (which Applicants show below it is not), the fact of the matter is that the terminology in dispute was contained in independent claims 1 and 8 **as filed**. Accordingly, the original claims themselves, which are part of the original disclosure, cannot be said to have not been in the Applicants' possession at the time of filing.

The Examiner points to page 9 lines 16-18 for allegedly teaching that the specification specifically does not teach the concurrent downloading of the encoded digital content file with the displaying of the purchasing information. Rather, it is the Examiner's position that the displaying information occurs first and that the downloading of the encoded digital content occurs thereafter and not concurrently therewith.

In response, Applicants submit that the Examiner has completely ignored the preceding sentences in lines 10-14 on page 9 which state as follows:

The length 200 is used to identify the length of the header 202 portion of the file 180. The significance of this field is that it allows the plug-in 178 to know how much information needs to be read in order to display the header 202 **while concurrently downloading the data for the product preview 202 and the encrypted digital content 206.(emphasis added).**

Thus, the Examiner is completely ignoring an express portion of the specification which is completely consistent with the concurrent downloading verbiage of both independent claims 1 and 8.

The Board's attention is also directed to lines 14-16 on page 9 of the specification which immediately precedes the lines relied upon by the Examiner as set forth above. Line 14 starts out by stating:

Alternatively, the file length 200 can be used...to only download the header 202...The remainder of file 180...are respectively downloaded only if the buyer chooses to view the product preview 204 or buy the digital content item. (emphasis added).

It is therefore very clear that the portion of the specification relied upon by the Examiner to state that the claims are not consistent with the specification is an alternative to the embodiment claimed and described on page 9 lines 10-14. Additionally, it is submitted that page 9 lines 16-18 while presenting an alternative to the claimed invention do not preclude that the purchasing information can be displayed while a concurrent download of the encoded product takes place. It simply states that the downloading of the encoded product can be held in abeyance until the buyer selects to view the product or buy it.

The Examiner also refers to page 17 lines 9-14 for allegedly supporting his position that the specification description is inconsistent with the claims. The section referred to by the Examiner simply states that:

If the encrypted digital content 206 has not been downloaded prior to receipt by the buyer computer 122 of the receipt and product key K_{prod} from the broker computer 132, the plug-in 178 connects to the web site 126 to request download of the encrypted digital content and begins

decrypting the encrypted digital content 206 as it is being downloaded while concurrently providing the decrypted digital content to the browser 176 for display.

This portion of the specification does two things. First, it recognizes that there can be delays in downloading the encoded product due to, for example, transmission problems. If such a problem were to occur, the plug-in 178 will request the download. However, this paragraph is not at all inconsistent with the claims or the immediately preceding lines 2-9 of page 17 which recites:

The plug-in 178 permits the interface and exchange of information between the buyer computer 122 and the broker computer 132 as discussed in connection with Figures 1-2 and 6-7 once the header 202 and preview 204 have been downloaded without waiting for the encrypted digital portion 206 to be completely downloaded. Thus, the product preview and/or purchase of the item via the interaction of the buyer computer 122 and the broker computer 132 occurs concurrently with the downloading of the encrypted digital content portion 206 of file 180.
(emphasis added)

Rather, this portion of the specification recognizes and corrects a problem that can occur with any data transmission.

Second, the lines referred to by the Examiner address a second concurrent process (see claim 3) which recognizes that to improve processing efficiencies, the downloading of the encoded file and its decoding can be performed concurrently.

In view of the arguments set forth above, it is submitted that the rejection of claims 1-3 and 8 under 35 U.S.C. 112, first paragraph is improper and should be withdrawn.

Issue 2

For a rejection to be proper under 35 U.S.C. 102(e), each and every element of the claim must be taught by the applied reference. As discussed above, the Examiner throughout the prosecution of this application has admitted that none of the references, including Downs, teaches or suggests the concurrent displaying of the purchasing information with the downloading of the encoded digital content product. However, because the Examiner believes that there is a 35 U.S.C. 112, first paragraph deficiency, he has ignored the fact that Downs does not teach the express and unambiguous claim limitation discussed above. For this very reason it is submitted that independent claims 1 and 8 are not anticipated by or rendered obvious in view of Downs.

Regarding claim 4, one of the limitations permits a computer to connect to a **merchant's web site** to access and encrypt digital content product. The Examiner alleges that the description of the workflow manager at column 49, lines 11-22 teaches the above limitation. However, such is not the case. The workflow manager is one of the tools used to create a secure container which is subsequently hosted at a content hosting site. Thus, the cryptographic protection is built into the secure container prior to its being stored at the merchant's hosting site. Therefore, Downs does not teach or suggest the methods whereby a third party can access unencrypted files at a merchant's web site for the purpose of encrypting those files.

Claim 5 further defines how the computer of claim 4 identifies the files to be encrypted. Downs simply does not teach or suggest such limitation. The Examiner's reference to column 66 lines 53-57 simply identifies that after the secured containers are created, the URL for the hosting site must be obtained to

know where the secure containers are to be sent. This has nothing to do with the limitations of claim 5.

Issue 3

As discussed above in connection with the rejection of claims 1 and 8 under 35 U.S.C. 102(e) (which arguments are incorporated herein by reference), Downs does not teach or suggest that the purchasing information is displayed concurrently with the downloading of the encoded digital content product. Accordingly, it is submitted that for this reason Downs does not render claims 2, 3, and 8 unpatentable.

Claim 3 also recites that the encoded digital content product is concurrently downloaded and decoded. The Examiner apparently is using Downs at column 82 lines 51-55 for allegedly teaching this limitation. Applicants submit, however, that column 82 lines 51-55 states that concurrent decrypting and decoding of the video file can take place on, for example, a single 60 Mhz personal computer (column 82 line 61). It has nothing to do with the downloading of files, but is simply an efficient operation to permit streamlined playing of a product.

As for claim 7, it is directed to a method whereby encrypted and unencrypted digital content product files are stored at a first computer, such as a merchant computer. Upon request for the encrypted files they are sent to a second computer. However, in the case of the unencrypted digital content product files they are dynamically encrypted prior to being sent to the second computer. This method of distributing digital content using static encrypting and dynamic encrypting is discussed in detail on page 16 of the specification. The specification describes the benefits of this hybrid encrypting of files. That is, static encoding is efficient for content that is not subject to change (such as a particular piece of music) because time is saved if real time encryption is not required. However, constantly changing information, such as stock data, would require a large amount of continuous maintenance to store in encrypted form. Thus, for the constantly changing data, dynamic encryption is best suited since the product is encrypted for

each download. The Examiner has ignored the specific claim recitations and seems to take the position that since it is known to store data in either encrypted or unencrypted form, claim 7 is rendered unpatentable by Downs. However, the Examiner has not shown in Downs the concurrent use of unencrypted materials which are dynamically encrypted during downloads and the storing and download of statically encrypted materials to achieve the benefits discussed above. The Examiner has simply deemed claim 7 obvious.

Applicants also submit that it is clear that the Examiner has applied the extensive Downs reference (92 columns) by referring to sections thereof that appear to discuss similar concepts as the claimed invention. However, the Examiner is simply picking and choosing portions of the multitude of descriptions in Downs and combining them to allegedly teach the claimed invention. The problem is that the only motivation for the combination of these elements comes from the Applicants' specification. Such hindsight use of the Applicants' specification is not permissible. In *re Leskowski*, 871 F.2d 115, 117, 10 USPO 2d 1397, 1398 (Fed. Cir. 1989).

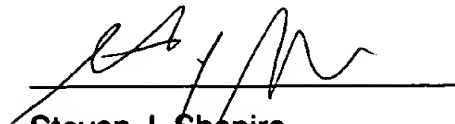
In view of the above arguments it is submitted that the Examiner has failed to establish a prima facie case of obviousness for claims 2, 3, 8 and 7.

SUMMARY

It is submitted for each of the reasons enumerated above that claims 1-8 are not anticipated by or rendered obvious in view of the applied references. Accordingly, the Appellants respectfully request that the Board reverse the Examiner with

respect to the rejections set forth in the third Office Action.

Respectfully submitted,



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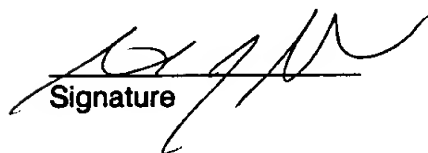
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On January 30, 2004
Date of Deposit

Steven J. Shapiro (35,677)
Name of Registered Rep.


Signature

January 30, 2004
Date

APPENDIX A

1. A method for using a computer to facilitate a transaction between a merchant and a buyer, the method comprising the steps of:

downloading into the computer a digital content file of the merchant, the digital content file including a header with information related to purchasing a digital content product and the digital content product in encoded form; and

using the computer for reading the downloaded header and displaying at least some of the information related to purchasing the digital content product while concurrently downloading the encoded digital content product into the computer.

2. A method as recited in claim 1, further comprising inputting a request to purchase the digital content product into the computer, outputting from the computer the request to purchase to a broker computer, receiving at the computer from the broker computer a key for decoding the encoded digital content product in response to the request to purchase, and using the key at the computer to decode the encoded digital content product to create a decoded digital content product while concurrently displaying the decoded digital content product.

3. A method as recited in claim 2, further comprising concurrently downloading the encoded digital content product into the computer while decoding the encoded digital content product and displaying the decoded digital content product.

4. A method for using a computer by a broker to encrypt digital content product files of a merchant that are hosted at a merchant web site, the method comprising the steps of:

inputting into the computer an identification of the digital content product files designated for encryption together with the web site location of the digital content product files and information required to access the digital content product files;

via the computer, connecting to the web site and accessing and encrypting the digital content product files designated for encryption; and
storing the encrypted digital content product files at the web site.

5. A method as recited in claim 4, further comprising inputting into the computer a location at the web site where each of the encrypted digital content product files are to be stored, and storing the encrypted digital content product files at the location.

6. A method as recited in claim 5, further comprising using the computer to create a buyer product file for each encrypted digital content product file, the buyer product file including the encrypted digital content product file and a header having information about the digital content product file for use by a buyer in making a decision on whether to purchase the digital content product.

7. A method for distributing from a first computer digital content products for purchase, the method comprising the steps of:

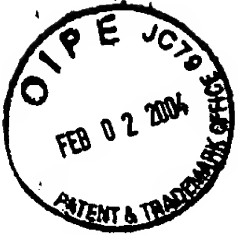
encrypting a first digital content product file;
statically storing the encrypted first digital content product file at the first computer;
storing a second digital content product file in unencrypted form at the first computer; and

inputting a request into the first computer for downloading from the first computer to a second computer at least one of the encrypted first digital content product file and the second digital content product file;

wherein at times when the request is for the encrypted first digital content product file downloading the encrypted first digital content file to the second computer, and at times when the request is for the second digital content product file dynamically encrypting the second digital content product file and sending the second digital content product file in encrypted form to the second computer while

maintaining the storing of the second digital content product file in unencrypted form at the first computer.

8. A computer having a computer-readable medium including computer-executable instructions for performing the steps of receiving and storing in the computer a digital content file of a merchant, the digital content file including a header with information related to purchasing a digital content product and the digital content product in encoded form; and reading the stored header and displaying at least some of the information related to purchasing the digital content product while concurrently receiving the encoded digital content product into the computer.



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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re patent application of:) Date: January 30, 2004
Thomas J. Foth et al.) Attorney Docket No.: E-977
Serial No.: 09/474,326) Customer No.: 00919
Filed: December 29, 1999) Group Art Unit: 3621
Confirmation No.: 2120) Examiner: Firmin Backer
Title: METHOD FOR FACILITATING A TRANSACTION BETWEEN A
MERCHANT AND A BUYER

TRANSMITTAL OF APPEAL BRIEF (PATENT APPLICATION 37 CFR 1.192)

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Sir:

Transmitted herewith in triplicate is the **APPEAL BRIEF** in the above-identified patent application with respect to the Notice of Appeal filed on October 30, 2003.

Pursuant to 37 CFR 1.17(c), the fee for filing the Appeal Brief is \$330.00

Applicant petitions for a one month extension of time under 37 CFR 1.136. The fee for a one month extension of time is \$110.00.

The total fee due is:

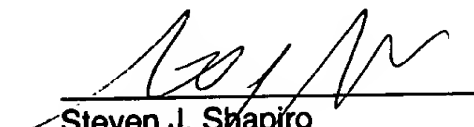
Appeal Fee:	\$330.00
Extension of Time Fee:	<u>\$110.00</u>
Total Fee Due:	\$440.00

Please charge Deposit Account No. 16-1885 in the amount of \$440.00 to cover the above fees.

The Commissioner is hereby authorized to charge any additional fees which may be required to Deposit Account No. 16-1885.

A duplicate copy of this transmittal is enclosed for use in charging the Deposit Account.

Respectfully submitted,


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